

G R S IX-5]

Previous references

1912 (17) & 1912

41) 51 15 20, 22 25 1915.

64) 226 (5) 29412 (ml)

Later references

inc 188-23-1
inc 188-22-2, 488-

GF 214 25-112

SA 348-24 (1-2)

File No 236-15

Serial Nos 17, 18

19, 20, 21, 24

Presented for 2/13/15

GENERAL AND REVENUE SECRETARIAT

Serial Nos 17, 18, 19, 20, 21, 24

Part B for July 18

SUBJECT

Letter from the Deputy Commr Blithedrug forwarding for Comdr - signature and for authentication to the Comptroller a bill for Rs 2357-7-9 being 3/4 of the total amount of interest paid to the several subscribers to the Blithedrug Town water - Supply loan

Sl. 24 40 no 816-7 of 11-7-18 To the Comptroller and Mr Blithedrug. Govt direct that as interest has to be paid to debenture holders, it may be charged to capital account of the project, any interest earned by investment being also credited to the same account.

S. B. Bhatnagar
24718

W D 65-GPB-50,000-24718

GENERAL AND REVENUE SECRETARIAT

(ml)

NOTES.

File No 236-1

FILE HEADING

Water Supply to Chitalong Town

From

The Deputy Commissioner, Chitalong StRef No. 715 ml/16-17 Dated 14th April 1917 Received

Diary No 3099

Enclos 1

Spare Copies

Serial No 17

BRIEF ABSTRACT OF LETTER

Forwarded for Counter-signature and transmission to the Comptroller a bill for Rs 2357-7-9, being 3/4 of the total amount of interest paid to the several subscribers to the Chitalong Town water supply loan for the half year ending 30th June + 31st Dec^r 1916

NOTES AND ORDERS

Submitted with a draft forwarding the bill to the Comptroller for favour of necessary adjustment

L^y may be approved

30417
3/5

Rev see^y3 Please send to H Branch ~~also~~ for x.

NOTE—First Sheet

Brill for opinion

SP

Routine Notes

[To be used only for notes, requisitions, etc., not intended for permanent record]

Plus 2591/16 nl 236/15
The connected file ^{nl} 93/14 is
not put up. It is not in
the records. The requisition
for it is sent to Branch IV
and has not ~~yet~~ been compiled
into the file. It may therefore be
returned to Br IV for favor
of retransmitting it into the
previous file nl 93/14

12/5 To Br: IV

7/15 21 5 17

~~On 12/5 the connected file nl 93/14~~

The connected file nl 93-14 is put
up. vide flag M. This may kindly
be returned to Br II for its opinion

25 5 17
20 Br IV

Recd
12/5
AM

Submitted
12/5

NB —Should routine notes be written on small slips
the notes must be copied or slips pasted on
this form

3099
ml File No 236 of 1915-16

3

Serial
No.~~670254~~

(6)

Sub? with the connected file

29.5.17

H No order of order seem very -

The Compt- will effect - the

mutual adjustment - private

in accordance with Paper No. I

Mr. V)

18
29.5.17

AS

(8)

Submitted

(9) Sheet order ^{as to} whether the draft to the
Comptroller already put up. ~~any~~ issueB. V. V.
5.6.17

(10) The draft may issue

MK
6-6-17

Rev. sec?

(11) Issue

102
8.6.17

18

20

The Comptroller, Mysore got
Letter no 7841 dt 12.6.17Forward for adjustment the bill received
in R. 17

20

The Dy. Commr. Chitalong dt
memo no 7862 dt 12.6.17Forward a copy of the above, with the
intimation that such bills may in future be
forwarded to the Comptroller & recd.

G R S III-2,

General and Revenue
Secretariat

ml File No 236 of 1915-16

4

Serial
No

19

~~From~~

The Comptroller Mysore govt
no 12070 BK 1195 dt 28th June 1917

In returning the bill unsolicited, sent in
H 18. states that as directed in letter no
8250/ml 236-15-3 dt 10th May 1916 the
whole of the Chitalong water supply loan is to be
treated as a municipal concern and the receipts
and charges distributed pro-rata between the
municipalities and Government, when the
accounts are finally adjusted on completion
of the project

(12) The Government order of the 10th May 1916
states simply that "the receipts & charges will
be distributed pro-rata between municipalities
and Government when the accounts are adjusted"
It does not state clearly that the accounts
will be adjusted after the completion of the project
as the letter of the Comptroller seems to suggest
It is presumed that accounts are adjusted
year after year

(13) Submitted for orders

~~B. M.~~
30.6.17 ~~By~~ The point raised in the Comptroller's
letter appears to be that all charges
including the payment of interest to
debenture holders should be borne
by the mltb for the present to be

May 1

3857

WD 1289-G

12-16-8.

G R S III-2,

General and Revenue
Secretariat

ml File No 236 of 191 5-16

Serial
No

Subsequently adopted by Govt. after the whole scheme is completed this means that the entire amount of interest due on all the debentures has to be paid by the railway. It is a matter for consideration whether the Govt. directing that the receipts and charges should be distributed pro rata, is to be construed as to mean that Govt. share of interest charges is to be paid after the scheme is completed. It is submitted that such a course would throw a heavy burden on the railway and appears also to be against the spirit of the S.O. under consideration, where yearly adjustment is probably contemplated.

(15) Br II may again be consulted

ms
3/7/6

However?

(16) To Branch II for further remarks with ref^{ce} to their observations at para 7 of the notes.

ms
2/7
30/6

7c no 18-17

R.R.

Play X
NOTE - Contn sheet

(17) To put the Secy's remarks in para 4 of notes in ltr 236-15 dls 1, 3, 8, 10 & 11

3857

5

2-20 18-17

Serial
No

The Comptroller General of the Court

3/7 (18) 18/17

(18) 18/17

18/17 18/17

18

(19) Submitted for order with reference to para 16

20/17

18/17

Revised

N

(20) Revised draft has in addition
as to be put up - (PL 18 was
issued in accordance with the op-
inion)

23/17

18
24/17

(21) Revised draft put up

24/17

22) For approval

25/17

Revised

26/17

342
27-17

2nd member)

(23) The 16th of May 1915 was
kept as a public holiday
in commemoration of the
day that the war was
proclaimed then the 16th

3857

ND 1 83-GPB-60 CCC-1-1-6-

8

File No 236 of 1915-16

Serial
No

Get your own self. Every year
is then a new business little
place.

241 2d agree with H. now

49

287

(25) Put up draft order accordingly & submit to 2nd member of Dewan -

2874

(26) Submitted with a draft for review of approval.

~~30 7/11~~

mk
31717

473
31-7-17

2nd Member)

4.5

~~_____~~ 2/10

(27) Submitted for favour

approval

Dewan)

1/8

(28) Draft approved by the Dewan
20-8-17

(29) Issue

82
20 8 17 m

20	20
----	----

The Comptroller Letter no 1250 of 24.8.7

Referring to 82-19 states that Govt may order adjustments every year or when any transactions take place + fictitious bill for adjustment

20 The court memo 125, 826, & 17 forwards a copy of the ab c

NOTE—Contn sheet

C R S III-2]

General and Revenue
Secretariat

File No 236 of 1915-16

Serial
No
21-

From

The Comptroller Mysore Govt
Bank 274/3220 d 8th September 1917

Requests orders on the points
raised as regards the adjustment of
the Government share of interest on the
Chitaldurg water supply loan

(30) May Br II be credited?

~~11/9/17~~ ^{11/9/17} ~~11/9/17~~

The Comptroller has again urged that the
payment of interest from state funds is unduly
burdened not be possible, as Govt have only
agreed to bear $\frac{3}{4}$ of the Capital cost of the
Project which could be ascertained only
after the work is completed and the total
cost is ascertained. Meanwhile interest
charges are to be shown against the Capital
account of the project, any interest earned
on the loan amount being similarly
credited to the said account.

The points raised by the Comptroller may be
answered as follows

The first question has to be answered in the
affirmative. This is because Govt have agreed
to bear $\frac{3}{4}$ of the Capital cost

As regards question No (2), it is to be stated
that the interest guarantee is to be borne by the Govt.

3*

G R S III-2]

General and Revenue
Secretariat

Mund File No 236 of 1915

Serial
No

but if any loss is incurred it ^{shall} be borne
by Govt, in the proportion of 35-1. The Rev.
accounts of this work should be maintained
separately

as regards point (3), it is desirable that the
liability incurred by the interest guarantee
should be borne by Govt absolutely, ^{and} ~~it should~~
~~should not be treated as an advance~~
~~the fact that the advance to be made by~~
~~Govt are in the nature of a grant-in-aid~~
~~and not as a loan or advance~~

33

The questions being of a technical character
it is desirable that Br II should be
consulted. May this be done?

Rev Secy
(II)

(34)

Yes

10/22/17

MC
18/92/3/17
2/7/17

35) Please put up the papers, containing
maps for raising the loan, payment of 2%
Commission by Govt and approval of the
proposals

18
26/9/17

Br (1)

36)

Branch IV is unable to have and put
up the file required by the Govt Secretary
(Vide routine notes)

Rebubane Red

2/7/17

37) The last day Br IV discussed the case

NOTE—Contn sheet

G R S III-2]

General and Revenue
Secretariat

Mk File No 236 of 1915

Serial
No

with me before sending the views of the
Administration branch for consideration - vide
note of 10.9.1917. paras 31 & 35. / n. 14

28) There appears to be no financial objection to
the loan proposed.

29) As regards point 28 (3) it must be desirable
to keep a running account carrying on the
debit of previous years for being adjusted only
the probable profits of subsequent years.

The Municipality is not in a flourishing
condition, and any small net profits which
it may realize in some years may
be retained by itself. At any rate
such an arrangement will be beneficial.

(H. S. S.)

18
21/1/20

40) There are two points to consider, namely (1)
whether Government and Municipality should bear
their shares of interest during construction of work
and (2) the questions raised by the Comptroller -
which relate to the working stage of the project.

41) As regards (1) interest has to be paid to
debenture holders and charged to the Capital Account
of the project and any interest earned by investment
of loan money will also be credited to the same
account. Accordingly no question of Government
Municipality bearing the interest charge during

L S III-2]

General and Revenue
Secretariat

Ind File No 236

of 1915

Serial
No

construction arises The result of the arrangement will be that the net interest charge i e., the excess if any, of interest paid to debenture holders over what is earned by investment of the loan money will be treated as Capital Outlay and met from loan funds.

(42) As regards the Comptroller's question, No (1) may be answered in the affirmative as proposed, the answer proposed to question (2) does not seem to be correct I do not think any question of sharing the loss between Government and Municipality arises in respect of 3/4 th cost of the project Government have promised to bear 3/4th of the cost and as a loan has been raised for meeting their share of contribution, the interest on such share should be paid by them irrespective of whether or not the revenue from the project is capable of meeting the interest charge on account of the loan The revenue account of the project is purely Municipal and if the net earnings are insufficient for paying the share of interest payable by the Municipality, the deficiency has to be made good by Government as they have guaranteed payment of interest to debenture holders It is not clear if the particular revenue attributable to this project is ascertainable, but if it is, a complete revenue account can be kept

(43) Question (3) may be answered as proposed, as, in view of the nature of the project, Government may

NOTE—Contn sheet

Dear

D III-2]

boc

12

General and Revenue
Secretariat

ml File No 236

of 1915-16

Serial
No

49 I think it is desirable that the proposed draft should be seen by the Financial Secretary. The file will accordingly be sent to him for perusal & remarks

$$\frac{102}{12318}$$

(50) Subd & Financial Secretary

H. (a.7)

$$\frac{102}{12318}$$

$$\frac{11}{11}$$

(51) The draft is all right

$$\frac{102}{3014}$$

$$\frac{102}{3014}$$

for 12)

(52) Submitted

$$\frac{102}{518}$$

Revised

$$\frac{102}{115}$$

(53) Maybe appd

2nd member
& Dewan)
$$\frac{102}{61518}$$

$$\frac{6147}{23518}$$

$$\frac{179}{7518}$$

$$\frac{102}{1015}$$

May issue /

9.7.15 do

Issue

$$\frac{102}{4718}$$

B

NOTE—Contn sheet

General and Revenue
Secretariat

Inl File No. 236 of 1915

Serial
No

24

G.O. no 816-17 of 11.7.18 To The
Comptroller and DC Blitlesang Govt
direct That as interest has to be paid
to debenture holders, it may be charged
to capital account of the project, any
interest earned by investment being
also credited to the same account.

2
2

Refrence no 715-mlc
16-17

Office of the Deputy Commissioner,
Chitaldrug District.

Dated Chitaldrug, 14th April 1917.

3099
236-15-17

C. S. Balasundaram Iyer Esquire B.A.,

Deputy Commissioner,

C H I T A L D R U G.

B. Ramaswamiya Esquire B.A., B.L.,

Offg: Secretary to the Government of

His Highness the Maharaja of Mysore,

Revenue Department, Bangalore.

, I R,

I have the honor to forward herewith for favor of counter signature and transmission to the Comptroller for credit being given to the Chitaldrug Municipality a bill for Rs 2357-7-9 being $\frac{2}{3}$ of the total amount of interest paid to the several subscribers to the Chitaldrug water supply loan of 1916 for the half years ending 30th June and 31st December 1916 and chargeable to Government.

2. As the interest on the amounts credited towards the said loan was overdue, I have issued cheques to all the subscribers to the loan charging the expenditure on account of the interest to the head "H.Mis.1 Interest on loan" in the budget of the Chitaldrug Municipality. The total amount of interest for the two half years in question comes up to Rs 3143-5-0. The Chitaldrug Municipality has to bear interest on its share of the capital cost viz $\frac{1}{3}$ and for the remaining $\frac{2}{3}$, the enclosed bill is submitted. I request that the same may kindly be passed as per your letter No. C250/11.236-15-3 dated 10th May 1916.

3 I may state here that out of the total collections, a sum of Rs 74000 has been invested in the Bank of Mysore at 4% as per details noted in the margin and the interest accrued and paid

113

1916 17

From

The Deputy Commissioner
Chitaldurg District

To

The Secretary to Government,
Revenue Department
Bangalore

Dated

21 APR 1917

Despatched

19 4

Received

General No

No

Reference no 715
16 17

Enclosure No.

Forwarding for counter signature
and transmission to the
Comptroller for audit a bill for
Rs 2357-7-9 being the $\frac{3}{4}$ th share of
the sum of interest paid on the
Chitaldurg water supply loan of 1914
for the two half years ending 30th
June + 31st December 1916

G R S 26]

nl File No 236-15

Serial No

Diary No of letter replied to 3099

General and Revenue Secretariat

(nl)
, the 191

To

The Comptroller

Sir,

Date of issue

12 6 17

I am directed to forward

Signed by MRS J Kesava Iyer hereunder for favour of necessary
adjustment, a copy of Chitalding
Dt Deputy Commissioner's letter
Ref C no 715 nl /16-17 / 16th April
1917 and a bill for Rs 235 7-7-9-
in connection with the interest
to be paid to the subscribers of the
Chitalding Town water supply loan

I have etc

876/1-
11/11/17 Secy to Govt
12/5/17 Secy to Govt

SUBJECT

P T O

12/6

memorandum 78420ml 226-16

Copy forwarded to the Deputy
Commissioner, Chicago, with
reference to his letter no Reg
715 ml/226-16-17, dated 14th
April 1917, with the information
that such bills may in future
be forwarded to the Comptroller
direct.

By order

~~72~~ 67617

Jordan

~~B~~ Rev Sept

~~B~~
30617

List of enclosures

Copied by

Examined by

File 236-75-19

Immediate

It is requested that in future communications on the subject the No. and date of this letter and the distinguishing letters below the number as given opposite may be quoted and addressed to the Comptroller Mysore Government

the communications

5

No *12370*
Bk. 1195 *41*

FORM

OFFICE OF THE COMPTROLLER, MYSORE GOVERNMENT,

Dated Bangalore, the 27th June 1917

JUN 1917

DIWAN BAHADUR J S CHAKRAVARTI, Esq, M A,

M.N. Krishna Rao Esq.,

F R A S, ETC,

Offg. Comptroller to the Government of

His Highness the Maharaja of Mysore

To

B. Ramaswamalya, Esq, B.A., B.L.,

Secretary to the Government of Mysore,

R e v a n u e Department

SIR,

In returning herewith unaudited the bill for Rs. 2357-8-9 received with your letter No. ⁷⁰⁴⁴ ~~UI-41~~ / Ml. 276-15-18 dated 12th June 1917, I have the honor to invite reference to your office endorsement No. 8257 / Ml. 236-15-3 dated 10th May 1916, forwarding copy of letter No. 8250 / Ml. 236-15-3 dated 10th May 1916 addressed to the Deputy Commissioner, Chitaldrug District, and to state that as intimated therein, the whole of the Chitaldrug Water Supply Loan is to be treated for the present as a Municipal concern and the receipts and charges distributed pro-rata between the Municipality and Government, when the accounts are finally adjusted on completion of the project.

I have the honor to be,

Sir,

Your most obedient servant,

[Signature]

Offs Comptroller.

SAM.

27/6/17

Department

191

FROM

DIWAN BAHADUR

J S CHAKRAVARTI, Esq, M A,

F R A S, ETC,

Comptroller to the Govt of

H H the Maharaja of Mysore

To

, Esq.,

Secretary to the Govt of Mysore,

Rw

Dept

Dated

Despatched *28/6/19*

Received

No *12020 41*
1295

Subject matter

Returning to the Govt of Mysore
2

C R S VI-G/82] ?

21/6

11

6

SUBJECT

Adjustment of the govt share of interest
towards the Chitaldung town water supply loan

Diary No of letter replied to 3857

Section ml

File No 236-15

Serial No

GENERAL AND REVENUE SECRETARIAT,

(ml)

, the

191

Guone

No 1250

ml 236-15-20
june-1917

Date of issue

25.6.17

To

The Comptroller Mysore govt

Signed by Mr. J. Kesava Sagar

Sr

With reference to your
letter no 120720 BK 1195 date
28th June 1917 re the adjustment
of the Government share of
interest towards the Chitaldung
town water supply loan, I am
devised to state that by a
no 250/ml 236-15-32712
may 1916. referred to by you
does not say that adjustment is
6 over

to be made after completion
of the work: but it says only that
adjustment is to be pro-rata
when it is made. ~~I am~~ I am also
to observe that Government
~~may~~ order adjustment every
year or when any transactions
take place

The bill received with your
letter under reply is herewith
retransmitted for ^{purpose of} adjustment
I have etc

~~MS~~
For Mr. Secretary
The Secy

List of enclosure

~~MS~~
3.7.17

memo 1254 m 286-15-21. 3.7.17

Copy to Dy. Comr. Chitaldong
for information

By order

~~MS~~
For Mr. Secretary

The Secy

Copied by
Examined by

~~MS~~
30.7.17

Please address all future communications
to the Comptroller to the Govt of H H
the Maharaja of Mysore.
In reply to this Comm please refer to

No. 274 3220

ml 236-75-21

OFFICE OF THE COMPTROLLER TO THE
GOVERNMENT OF HIS HIGHNESS THE MAHARAJA
OF MYSORE

10 SEP 1917

Dated, Bangalore, the 7th September 1917

24 NOV 1917

DB 31

FROM

M N KRISHNA RAO, Esq, B A,

Offs Comptroller to the Government of
His Highness the Maharaja of Mysore

To

B Ramaswamalya, Esq, B A, B L,

Secretary to the Government of Mysore,

Revenue Department

SIR

With reference to your letter No 1250 dated 24th August 1917 returning the bill for the Government share of interest towards the Chitaldrug Water supply Loan for adjustment, I have the honor to state that interest on the Loan paid during the period of construction is debitable to the capital account of the project, and it is not to be paid out of the revenue of either the Municipality or of Government. Similarly any interest realised on the investment of the loan amount is also creditable to the same Capital account.

2 Government have agreed to bear $\frac{1}{3}$ ths of the capital cost of the project and this share can be ascertained only after the work is completed and the total cost of it is ascertained. The shares of both the Municipality and Government for financing the project will be found from the loan raised for the purpose and the question of the actual payment by Government of their share will arise only when the loan has to be discharged. In the meantime, there is only the question of interest and as already stated, interest during construction has to be treated as part of capital cost of the work. After the work is completed, there are the following points to be

considered

C. O 42-Rec. -17]

.. .. Department
101

FROM

M. N. KRISHNA RAO, Esq., B.A.,
*Offg. Comptroller to the Govt. of
H H the Maharaja of Mysore*

TO

.. .. Esq.,
*Secretary to the Govt. of Mysore,
Dept.*

Dated

Despatched

Received

No.

Subject matter

considered -

9
1 Is Government to pay interest on $\frac{3}{4}$ ths of cost of work, as this share has been promised by them as a grant-in-aid apparently?

2 If the Municipality is to pay interest on the balance of loan, how is the condition of interest guarantee by Government to be enforced? Are the revenues from this work separate so that ~~it~~^{they} may be ascertained if the net revenues after meeting working and maintenance charges, are sufficient or not for meeting the interest charge to be borne by the Municipality if the revenues of this work are not separately ascertainable, how is it to be ascertained when the liability on account of interest guarantee has to be borne by Government?

3 As regards the liability involved by the interest guarantee is it to be borne by Government absolutely on the results of the revenue accounts of the project for each year or half-year or is it to be of the nature of an advance to the Municipality to be repaid by the latter, if the net earnings of the project in any year happen to be more than the interest charge to be borne by the Municipality

I request orders on all the above points may be passed

I have the honor to be,

Sir,

Your most obedient servant,


Comptroller



a/ ✓

60

Adjustment of Govt share greatest towards the
 Metropolitan Water Supply Board.

Section *ml*

Serial No 24

Proceedings of the Government of

()

191

51716

Memo no 8251/mc 236-

Mr B F. Hearn 229

15-3 of the 10th may 1916 to the

Comptroller, forwarding copy of

Letter no 8250 / ml 236-15-38

the 10th may 1916 to the deputy

Comm^y Chetalding St, Directing

that the whole loan for the

Lehtalding water supply project

~~Order Thereon~~ ⁰ No

may for the present be treated

as a municipal concern and

that receipts and charges will

be distributed pro rata between

P.T. 0267

Printed ?

is treated as a standing order?

iii published in the Gazette
English part?

W translated?

placed at the disposal of the press.

vi published in the Gazette
Kannada part?

6/10/52

the municipality and govt when //
the accounts are adjusted - - -

2 Letter no 1250/ml
230-15-20 of the 24th August
1917, to the Comptroller, directing
that govt may order adjustment
every year or when any
transactions take place

3. Letter no 3220/Bank
274 of 9th September 1917, from
the Comptroller, stating that
interest charges to debenture
holders should be ^{debited} ~~credited~~ to the
Capital cost of ^{the} work and
requesting orders on the
following ^{points} ~~questions~~ after the
work is completed

List of enclosures

(1) whether govt have to
pay interest on $\frac{3}{4}$ of the cost
of work, as this share has
been promised by govt

2) If the municipality has
to pay interest on the balance

Copied by

Examined by

GENERAL AND REVENUE
SECRETARIAT

(Continuation sheet draft form)

These work separate so that they may be ascertained if the net revenues after meeting the working and maintenance charges are sufficient or not for meeting the interest charge to be borne by the municipality

on the results

12
of the loan amount, how is the interest guaranteed by govt to be enforced? Are the revenues from these work separate whether it is sufficient or not to meet the interest charges? If the revenues are not separate, ^{ascertainable} how is it to be ascertained when the liability on account of interest guarantee has to be borne ^{borne} enforced by govt?

(3) whether the liability involved by the interest guarantee is to be borne by govt absolutely or the revenue accounts of the project for each year or half year or it is to be treated as an advance to be made good by the municipality later on

order 816-Tml 236-15
of 11.11
In mode

of 40 no 1250/ml ?

taxation

~~MS~~ 18

MS 18
MS 18
MS 18

To

The Comptroller

By Com^r Charles D. D.

~~MS~~ 18
21-2

15

MS 18

